

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

Tonto Village Water Co. INC.

173 S. Blackfoot Rd.
Payson, AZ 85541

10-01580A

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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RCVD NOV 4 '11

11-4-11

COMPANY INFORMATION

Company Name (Business Name): Tonto Village Water Co. INC

Mailing Address: 173 S. Blackfoot Rd. Payson Az. 85541
(Street) (City) (State) (Zip)

928-478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: Service@arizonarim.com

Local Office Mailing Address: 173 S. Blackfoot Rd. Payson Az. 85541
(Street) (City) (State) (Zip)

928-478-0010

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

EmailAddress: Service@arizonarim.com

MANAGEMENT INFORMATION

X Management Contact: Jeff Daniels
(Name)

President
(Title)

173 S. Blackfoot Rd
(Street)

Payson
(City)

Az.
(State)

85541
(Zip)

928-478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: Service@arizonarim.com

On Site Manager: Jeff Daniels
(Name)

173 S. Blackfoot Rd.
(Street)

Payson
(City)

AZ
(State)

85541
(Zip)

(928) 478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: Service@ArizonaRim.com

Statutory Agent: Same as Above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☒ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co-op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☒ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$0.00	\$0.00	\$0.00
302	Franchises	\$0.00	\$0.00	\$0.00
303	Land and Land Rights	\$3,465.72	\$0.00	\$3,465.72
304	Structures and Improvements	\$0.00	\$0.00	\$0.00
307	Wells and Springs	\$44,479.77	\$11,658.72	\$32,821.05
311	Pumping Equipment	\$8,366.92	\$4,775.06	\$3,591.86
320	Water Treatment Equipment	\$2,779.94	2,779.94	\$0.00
330	Distribution Reservoirs and Standpipes	\$26,430.69	\$24,565.01	\$1,865.68
331	Transmission and Distribution Mains	\$46,101.34	\$39,566.07	\$6,535.27
333	Services	\$0.00	\$0.00	\$0.00
334	Meters and Meter Installations	\$6,193.38	\$4,485.90	\$1,707.48
335	Hydrants	\$0.00	\$0.00	\$0.00
336	Backflow Prevention Devices	\$0.00	\$0.00	\$0.00
339	Other Plant and Misc. Equipment	\$3,064.47	\$3,064.47	\$0.00
340	Office Furniture and Equipment	\$2,079.63	\$2,079.63	\$0.00
341	Transportation Equipment	\$0.00	\$0.00	\$0.00
343	Tools, Shop and Garage Equipment	\$0.00	\$0.00	\$0.00
344	Laboratory Equipment	\$0.00	\$00.00	\$0.00
345	Power Operated Equipment	\$0.00	\$0.00	\$0.00
346	Communication Equipment	\$0.00	\$0.00	\$0.00
347	Miscellaneous Equipment	\$0.00	\$0.00	\$0.00
348	Other Tangible Plant	\$0.00	\$0.00	\$0.00
	TOTALS	\$142,961.86	\$92,974.80	\$49,987.06

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$0.00	0%	\$0.00
302	Franchises	\$0.00	0%	\$0.00
303	Land and Land Rights	\$3,465.72	0%	\$0.00
304	Structures and Improvements	\$0.00	3.33%	\$0.00
307	Wells and Springs	\$44,479.77	3.33%	\$1,481.18
311	Pumping Equipment	\$8,366.92	12.50%	\$1,045.87
320	Water Treatment Equipment	\$2,779.94	20.00%	\$0.00
330	Distribution Reservoirs and Standpipes	\$26,430.69	5.00%	\$1,321.53
331	Transmission and Distribution Mains	\$46,101.34	2.00%	\$922.03
333	Services	\$0.00	3.33%	\$0.00
334	Meters and Meter Installations	\$6,193.38	8.33%	\$515.91
335	Hydrants	\$0.00	2.00%	\$0.00
336	Backflow Prevention Devices	\$0.00	6.67%	\$0.00
339	Other Plant and Misc. Equipment	\$3,064.47	6.67%	\$102.47
340	Office Furniture and Equipment	\$2,079.63	6.67%	\$5.53
341	Transportation Equipment	\$0.00	20.00%	\$0.00
343	Tools, Shop and Garage Equipment	\$0.00	5.00%	\$0.00
344	Laboratory Equipment	\$0.00	10.00%	\$0.00
345	Power Operated Equipment	\$0.00	5.00%	\$0.00
346	Communication Equipment	\$0.00	5.00%	\$0.00
347	Miscellaneous Equipment	\$0.00	10.00%	\$0.00
348	Other Tangible Plant	\$0.00	0%	\$0.00
	TOTALS	\$142,961.86		\$5,394.52

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$193.00	\$872.78
134	Working Funds	\$0.00	\$0.00
135	Temporary Cash Investments	\$0.00	\$0.00
141	Customer Accounts Receivable	\$0.00	\$845.87
146	Notes/Receivables from Associated Companies	\$0.00	\$0.00
151	Plant Material and Supplies	\$0.00	\$0.00
162	Prepayments	\$0.00	\$0.00
174	Miscellaneous Current and Accrued Assets	\$0.00	\$0.00
	TOTAL CURRENT AND ACCRUED ASSETS	\$193.00	\$1,718.65
	FIXED ASSETS		
101	Utility Plant in Service	\$0.00	\$142,961.86
103	Property Held for Future Use	\$109,602.96	\$0.00
105	Construction Work in Progress	\$0.00	\$0.00
108	Accumulated Depreciation – Utility Plant	(\$85,410.28)	\$92,974.80
121	Non-Utility Property	\$0.00	\$0.00
122	Accumulated Depreciation – Non Utility	\$0.00	\$0.00
	TOTAL FIXED ASSETS	\$24,192.68	\$49,987.06
	TOTAL ASSETS	\$24,386.06	\$51,705.71

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$0.00	\$1,469.48
232	Notes Payable (Current Portion)	\$0.00	\$0.00
234	Notes/Accounts Payable to Associated Companies	\$0.00	\$0.00
235	Customer Deposits	\$3,419.38	\$3,103.90
236	Accrued Taxes	\$45.00	\$216.80
237	Accrued Interest	\$0.00	\$0.00
241	Miscellaneous Current and Accrued Liabilities	\$18,822.33	\$0.00
	TOTAL CURRENT LIABILITIES	\$22,286.71	\$4,790.18
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$0.00	\$0.00
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0.00	\$0.00
252	Advances in Aid of Construction	\$919.16	\$949.79
255	Accumulated Deferred Investment Tax Credits	\$0.00	\$0.00
271	Contributions in Aid of Construction	\$0.00	\$0.00
272	Less: Amortization of Contributions	\$0.00	\$0.00
281	Accumulated Deferred Income Tax	\$0.00	\$0.00
	TOTAL DEFERRED CREDITS	\$919.16	\$949.79
	TOTAL LIABILITIES	\$23,205.87	\$5,739.97
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$54,922.80	\$54,922.80
211	Paid in Capital in Excess of Par Value	\$0.00	\$20,077.20
215	Retained Earnings	(\$53,741.61)	-\$29,034.26
218	Proprietary Capital (Sole Props and Partnerships)	\$0.00	\$0.00
	TOTAL CAPITAL	\$1,180.19	\$45,965.74
	TOTAL LIABILITIES AND CAPITAL	\$24,386.06	\$51,705.71

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$31,758.36	\$32,088.32
460	Unmetered Water Revenue	\$0.00	\$0.00
474	Other Water Revenues	\$385.84	\$435.89
	TOTAL REVENUES	\$32,144.20	\$32,524.21
	OPERATING EXPENSES		
601	Salaries and Wages	\$8,130.00	\$12,379.19
610	Purchased Water	\$0.00	\$0.00
615	Purchased Power	\$3,956.15	\$4,146.11
618	Chemicals	\$813.97	\$247.24
620	Repairs and Maintenance	\$7,688.81	\$4,095.53
621	Office Supplies and Expense	\$2,803.80	\$1,202.95
630	Outside Services	\$16,378.81	\$3,938.14
635	Water Testing	\$4,979.04	\$240.00
641	Rents	\$0.00	\$0.00
650	Transportation Expenses	\$7,571.95	\$3,013.45
657	Insurance – General Liability	\$0.00	\$0.00
659	Insurance - Health and Life	\$0.00	\$0.00
666	Regulatory Commission Expense – Rate Case	\$0.00	\$0.00
670	Bad Debt	\$0.00	\$456.93
675	Miscellaneous Expense(Trash, Phone, Meals)	\$1,432.84	\$369.27
403	Depreciation Expense	\$2,170.00	\$5,394.52
408	Taxes Other Than Income	\$691.94	\$0.00
408.11	Property Taxes	\$1,682.91	\$1,686.54
409	Income Tax	\$0.00	\$0.00
	TOTAL OPERATING EXPENSES	\$58,300.22	\$37,169.87
	OPERATING INCOME/(LOSS)	(\$26,156.02)	-\$4,645.66
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$0.00	\$0.29
421	Non-Utility Income	\$0.00	\$0.00
426	Miscellaneous Non-Utility Expenses	\$0.00	\$0.00
427	Interest Expense	\$0.00	\$0.00
	TOTAL OTHER INCOME/(EXPENSE)	\$0.00	\$0.00
	NET INCOME/(LOSS)	(\$26,156.02)	-\$4,645.37

COMPANY NAME: Tonto Village Water Co. INC.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principle	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End \$0

Meter Deposits Refunded During the Test Year \$0

COMPANY NAME: Tonto Village Water Co. INC.

Name of System: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-218159	7.5	75	600	8		2008
55-627910		<35	80	6		
55-516995	2	24	340	6	1"	1987

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2 hp	2	None	None
5 hp	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000 Gal.	1	2,000	1
34,000 Gal	1	1,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Tonto Village Water Co. INC.

Name of System: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	ABS & PVC	5,550
3	ABS & PVC	2,270
4	ABS	1,710
5	0	0
6	PVC	5,395
8	0	0
10	0	0
12	0	0
2	0	0

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	182
3/4	0
1	0
1 1/2	0
2	0
Comp. 3	0
Turbo 3	0
Comp. 4	0
Turbo 4	0
Comp. 6	0
Turbo 6	0

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

1-Liquid Chlorine Feed Pump

2-Pellet Feeders

STRUCTURES:

3-Pump Sheds

Chain link fencing around all well sites

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Tonto Village Water Co. INC.

Name of System: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY		158	197	0
FEBRUARY		221	262	0
MARCH		290	329	0
APRIL		379	420	0
MAY		703	768	0
JUNE		947	984	0
JULY		542	588	0
AUGUST		443	498	0
SEPTEMBER		764	799	0
OCTOBER		357	401	0
NOVEMBER		374	416	0
DECEMBER		205	249	0
TOTALS →		5383	5911	0

What is the level of arsenic for each well on your system? <0.003 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for N/A hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
(☒) Yes (☐) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(☐) Yes (☒) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
(☐) Yes (☒) No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Tonto Village Water Co. INC.

Name of System: Tonto Village Water Co. INC.

ADEQ Public Water System Number: 04-023

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME: Tonto Village Water Co. INC.

YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$0.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. We did not have the money.

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

REC'D NOV 4 '11

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF Gila

Jeff Daniels, President

Tonto Village Water Co. INC.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SIGNATURE OF OWNER OR OFFICIAL

(928) 478-0010

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

COUNTY NAME

MONTH

, 20__

SIGNATURE OF NOTARY PUBLIC

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	0
Estimated or Actual Federal Tax Liability	0

State Taxable Income Reported	0
Estimated or Actual State Tax Liability	0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	0
Amount of Gross-Up Tax Collected	0
Total Grossed-Up Contributions/Advances	0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

10-13-11
DATE

Jeffery T. Daniels
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF Gila

Jeff Daniels

Tonto Village Water Co. INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)


\$35,031.63

(THE AMOUNT IN BOX ABOVE
INCLUDES \$2,507.42
IN SALES TAXES BILLED, OR COLLECTED)

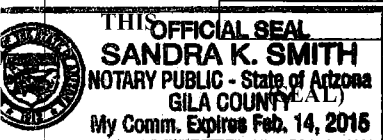
**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

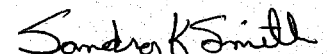
A NOTARY PUBLIC IN AND FOR THE COUNTY OF


SIGNATURE OF OWNER OR OFFICIAL
(928) 478-0010
TELEPHONE NUMBER

COUNTY NAME Gila
MONTH November YEAR 2011



MY COMMISSION EXPIRES 02/14/2015


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RCUD NOV 4 '11

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF Gila

NAME Jeff Daniels

President

Tonto Village Water Co. INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

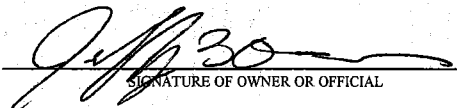
\$35,031.63

THE AMOUNT IN BOX AT LEFT

INCLUDES \$2,507.42

IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

(928) 478-0010

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

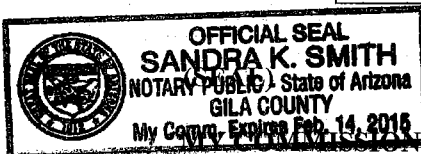
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

2nd

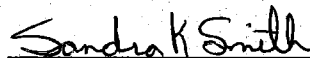
DAY OF

NOTARY PUBLIC NAME <i>Sandra K Smith</i>	
COUNTY NAME <i>Gila</i>	
MONTH <i>November</i>	<i>2011</i>



EXPIRES

02/14/2015



SIGNATURE OF NOTARY PUBLIC